

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Finance, to which was referred Senate Bill No. 197, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 4-31-1-1 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. **Except as provided**
- 5 **by IC 4-31-11.5**, this article does not apply to horse racing meetings at
- 6 which pari-mutuel wagering is not permitted.
- 7 SECTION 2. IC 4-31-11.5 IS ADDED TO THE INDIANA CODE
- 8 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 9 JULY 1, 1999]:
- 10 **Chapter 11.5. Alternative Racing Programs**
- 11 **Sec. 1. A statewide breed association that represents a breed at**
- 12 **a pari-mutuel racetrack located in Indiana may submit an**
- 13 **application to the commission for approval of an alternative racing**
- 14 **program. The commission may approve an application for a**
- 15 **program that meets the following criteria:**
- 16 **(1) The alternative racing program must consist solely of**
- 17 **nonpari-mutuel races conducted at county fairgrounds, the**

1 state fairgrounds, or other racetracks located in Indiana.

2 (2) An alternative racing program may not be conducted at
3 the same time as a county fair or the state fair.

4 (3) Purses awarded under the alternative racing program
5 must be for the benefit of Indiana owned, Indiana sired, or
6 Indiana bred horses.

7 (4) The total purse awarded for an individual race under an
8 alternative racing program may not exceed five thousand
9 dollars (\$5,000).

10 (5) If the statewide breed association submitting the
11 application is not the largest association in Indiana for that
12 breed, the application must be approved by the largest
13 statewide breed association in Indiana for that breed.

14 Sec. 2. The commission shall establish a separate alternative
15 racing program fund for each alternative racing program that is
16 approved under section 1 of this chapter. Each alternative racing
17 program fund shall be administered by the commission.

18 Sec. 3. Each alternative racing program fund consists of
19 amounts distributed to that fund under IC 4-33-12-6(b)(6).

20 Sec. 4. The treasurer of state shall invest the money in each
21 alternative racing program fund not currently needed to meet
22 obligations of that fund in the same manner as other public funds
23 may be invested. Interest that accrues from these investments shall
24 be deposited in the fund.

25 Sec. 5. An alternative racing program fund does not revert to
26 the state general fund at the end of a state fiscal year and is
27 retained by the commission.

28 Sec. 6. The commission shall use the alternative racing program
29 funds to provide purses and other funding for alternative racing
30 programs approved by the commission under this chapter.

31 Sec. 7. A statewide breed association that conducts an
32 alternative racing program under this chapter may request
33 reimbursement from the commission for:

- 34 (1) purses awarded at the alternative racing program;
35 (2) expenses incurred by the racetrack at which the
36 alternative racing program was conducted for the usage,
37 maintenance, and upkeep of the racetrack during the
38 alternative racing program; and

(3) expenses incurred for track officials necessary to conduct the racing program.

Upon approval of the request by the commission, the auditor of state and treasurer of state shall make payments from the appropriate alternative racing program fund to the statewide breed association or to other persons designated to receive reimbursement by the statewide breed association.

Sec. 8. The commission shall provide regulatory oversight of each alternative racing program to the extent considered necessary by the commission. The commission may supply personnel for an alternative racing program.

Sec. 9. A statewide breed association that conducts an alternative racing program under this chapter may assess a starting fee on each horse in each race to reimburse the breed association for services rendered."

Page 2, delete lines 28 through 42, begin a new line double block indented and insert the following:

"(A) During each state fiscal year, the Indiana horse racing commission shall distribute an amount not to exceed six hundred thousand dollars (\$600,000) to each alternative racing program fund established by the commission under IC 4-31-11.5. The distributions required by this clause shall be made before any distributions are made under clause (B).

(B) The remainder of the admissions tax paid to the Indiana horse racing commission under this subdivision shall be distributed as follows in amounts determined by the commission:

(i) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

~~(B)~~ (ii) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause item only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing

- 1 schedule.
- 2 **(iii) To a training facility for thoroughbreds and other**
- 3 **breeds located in a county having a population of more**
- 4 **than eighty-eight thousand (88,000) but less than one**
- 5 **hundred thousand (100,000). The commission may make**
- 6 **a grant under this item for capital investment,**
- 7 **construction, and routine operations of the training**
- 8 **facility."**
- 9 Page 3, delete lines 1 through 4.
- 10 Renumber all SECTIONS consecutively.
(Reference is to SB 197 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 15, Nays 0.

Senator Borst, Chairperson